

ICON DEFINITIONS

Icons are a useful way of designating categories of information. The following icons are used throughout this guide:

Checkpoint



Identifies an exercise, case study, or activity related to the topic of discussion.

Reminder



Identifies an exercise, case study, or activity related to the topic of discussion.

Required Policies and Procedures



Used to highlight important reminders such as deadlines, processes or waivers—especially those that reflect an administrative capability issue or regulation.

THE ESI TEAM

The Experimental Sites Team can provide guidance about the implementation of the Experiments on your campus. Guidance includes but is not limited to:

- ▶ Technical assistance
- ▶ Reporting requirements
- ▶ Understanding the specific waivers provided under the experiment
- ▶ Required policies, procedures and other documentation
- ▶ Implementation of ESI Action Plans

Should you have questions regarding the experiments or the ESI website, please send a message to the ESI Mailbox (ExperimentalSites@ed.gov). Each individual experiment has a lead ESI staff member assigned for Technical Assistance. For the CBE experiment, the technical assistance lead is Michael Cagle. You can contact Michael using the contact information below.

EXPERIMENTAL SITES TEAM			
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WAIVERS AND MODIFIED REQUIREMENTS IN THE CBE EXPERIMENT

The CBE Experiment provides a number of waivers and modifications to statutory and regulatory requirements for providing Title IV aid to students.

Definitions

Current rules refer to existing regulatory and statutory requirements for the administration of Title IV aid.

Waivers are specific legal provisions that will not be in effect for institutions participating in this experiment.

Modifications are alternative requirements that participating institutions must follow in lieu of provisions that are waived under the experiment.

Waivers and Modifications

Both the waivers and modifications to Title IV legal requirements under the CBE experiment will be described in greater detail in Sections 3, 4, and 5 of this guide. Please note that participating institutions must continue to comply with any legal requirements that are not waived or modified under the experiment.

Participating institutions must choose one of three sets of waivers provided under the CBE Experiment. Each set of waivers is summarized below.

Split Disbursement

The “CBE Split Disbursement” set of waivers is described in Section 3 of the CBE Experiment Reference Guide. The Split Disbursement set of waivers:

- ▶ Modifies the timing of disbursements for all of the Title IV aid programs to permit institutions to disburse aid for direct costs as a student completes competencies and to disburse aid for indirect costs over a period of calendar time.
- ▶ Modifies the definition of a payment period in a non-term program to permit two different types of payment periods—direct cost payment periods and indirect cost payment periods—and limit the duration of payment periods to 25% of an academic year.
- ▶ Waives and modifies the calculation of a Pell Grant under Formula 4, which is used for non-term programs, to allow the calculation of Pell Grant disbursements to align with the modified definition of payment periods. This modification governs the treatment of the Iraq-Afghanistan Service Grant, which would be disbursed according to the modified disbursement method in this experiment.
- ▶ Modifies the schedule for applying grade level increases to annual loan limits for Direct Loans. Under the current rules, a student in a non-term program proceeding at an accelerated pace cannot receive the increases in loan limits reflecting progress from one academic year to the next until the student completes both the credit hours, clock hours, or the equivalents in the academic year and the weeks of instruction in the academic year. Under this experiment, an accelerating student can receive the difference between the first and second academic year annual loan limits during the first academic year if he or she has already completed the credit or clock hours or learning equivalents for the first academic year, even if the student has not completed the number of weeks of instruction comprising the first academic year.

- ▶ Modifies the requirements for progressing to a new annual loan limit for Direct Loans. Under the current rules, a student in a non-term program may receive a new annual loan limit only when the student completes the hours and weeks in the academic year. Under this Experiment, a new annual loan limit can begin upon completion of the weeks in the academic year without regard to whether the student has completed the credit hours, clock hours, or the equivalents in the academic year, although the Direct Cost portion of the new annual loan limit may not be disbursed until the credit hours, clock hours, or the equivalents have been completed.
- ▶ Modifies rules for disbursement timing for the campus-based and TEACH programs to be consistent with the experimental disbursement method.
- ▶ Waives specific R2T4 requirements.
- ▶ Modifies the requirements for evaluation of satisfactory academic progress to permit a measurement of a student's pace as an amount completed over a period of calendar time.

Satisfactory Academic Progress Only

The “CBE Satisfactory Academic Progress Only” (CBE SAP Only) set of waivers is described in Section 4 of the CBE Experiment Reference Guide. The CBE SAP Only set of waivers modifies the requirements for evaluation of satisfactory academic progress to permit a measurement of a student's pace as an amount completed over a period of calendar time.

Subscription Period Disbursement

The CBE Subscription Period Disbursement set of waivers is described in Section 5 of the CBE Experiment Reference Guide. The Split Disbursement set of waivers:

- ▶ Modifies the definition of a payment period in a term-based program to permit an institution with a CBE program that charges using subscription periods to treat each subscription period as a standard or nonstandard term, and to allow the coursework undertaken in such a term to begin before the term begins.
- ▶ Modifies the requirements for evaluation of satisfactory academic progress to permit a measurement of a student's pace as an amount completed over a period of calendar time, to require an evaluation of a student's progress after each subscription period, and to create two different evaluations: an evaluation that measures a student's cumulative progress in his or her program and an evaluation that measures a student's progress in the prior subscription period.
- ▶ Modifies the requirements for disbursement of Direct Loan funds in programs with nonstandard terms that are not substantially equal to require that an institution calculate and make Direct Loan disbursements in such programs in accordance with the provisions of Pell Grant Formula 3.

Responsibilities of Institutional Offices

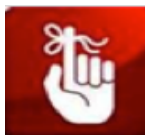
34 CFR 668.16(b)(1) and (4) Standards of administrative capability

Administering Federal student aid is an institutional responsibility.

Implementing the experiments will require coordination amongst various offices on your campus. Although schools are exempt from certain parts of the regulations, you are required to adhere to all other Title IV requirements.

Institutions should view participating in ESI as a collaborative effort; one that will mean working with other offices at your institution, such as the Financial Aid Office, Business Office, Faculty, Registrar, Admissions, Communications, and the President's Office. You may have other offices on your campus that you will work with. Other groups you may partner with will be your accrediting agency, vendors, state agencies and other policy stakeholders.

Participating institutions will be required to establish modified policies and procedures in order to follow the modified requirements under the experiment. For audit purposes, an institution must clearly document its modified policies and procedures, including the date that the modified procedures will first apply and the programs that the procedures will apply to.



Reminder!

It is important that you read the amended Program Participation Agreement thoroughly. Although schools are exempt from certain parts of the regulations, you are required to adhere to all other Title IV requirements.



Checkpoint!

Schools should use the following checklist to begin participation in the experiment:

Action	Status
Your school has contacted the offices that are directly affected by this experiment.	
Everyone involved in administering the experiment has read and fully understands the waivers and modifications for this experiment.	
Teams have been established to begin working out the details of the experiment.	

